

EXHIBIT D

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT

TO: Department of Market Regulation
NASD

RE: Goldman, Sachs & Co.
Broker-Dealer
CRD No. 361

Pursuant to Rule 9216 of the NASD Code of Procedure, Goldman, Sachs & Co. (the "firm" or "GSCO") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against the firm alleging violations based on the same factual findings.

The firm understands that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Market Regulation and the National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs, pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
3. If accepted:
 - a. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by the NASD or any other regulator against the firm;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about the firm's disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
 - d. the firm may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects the firm's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which the NASD is not a party.

20041000178 (formerly MRD200444550) (MJD)

GS_T 000068

The firm also understands that its experience in the securities industry and its disciplinary history may be factors that will be considered in deciding whether to accept this AWC.

GSCO became a member of the Association on October 26, 1936, and its registration remains in effect. GSCO has the following relevant disciplinary history:

- In October 2005, NASD accepted GSCO's AWC (20050002343) in which the firm agreed to a censure and a fine of \$15,000, of which \$5,000 was for violations of Conduct Rule 3370, \$5,000 for Marketplace Rule 6130, and \$5,000 for supervisory deficiencies during 2004, in violation of Conduct Rule 3010.
- In July 2005, NASD accepted GSCO's AWC (20042000105), in which the firm agreed to a censure and a fine of \$25,000, of which \$5,000 was for violations of Conduct Rule 3370, \$5,000 for Marketplace Rule 6130, and \$5,000 for supervisory deficiencies during 2003, in violation of Conduct Rule 3010.

I.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under the NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against the firm;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, the firm specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance, or rejection of this AWC.

The firm further specifically and voluntarily waives any right to claim that a person violated the *ex parte* prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

This matter is the result of the Department of Market Regulation's review in 20041000178 (previously MRD200444550) for GSCO's compliance with short sales rules and trade reporting in the securities of Pegasus Communications Corporation ("PGTV") from November 1, 2003, through January 15, 2004 (the "review period").

- A. The firm hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by NASD:
1. During the review period, with respect to nine customer short sale orders in PGTV common stock accepted by GSCO, the firm failed to make and/or annotate an affirmative determination that the firm would receive delivery of the security on behalf of the customer or that the firm could borrow the security on behalf of the customer for delivery by settlement date.
 2. During the review period, with respect to 211 short sales in PGTV effected for the firm's proprietary account(s), the firm failed to make and/or annotate an affirmative determination that the firm could borrow the securities or otherwise provide for delivery of the securities by settlement date.
 3. The conduct described in paragraphs one and two constitutes separate and distinct violations of NASD Conduct Rules 3370.
 4. During the review period, with respect to eight short sale transactions executed in PGTV, the firm failed to report each transaction to Nasdaq Market Center with a short sale modifier.
 5. The conduct described in paragraph four constitutes separate and distinct violations of NASD Marketplace Rule 6130(d)(6).
 6. During the review period, GSCO incorrectly reported 31 short sale transactions in PGTV to the Nasdaq Market Center as short sale exempt.
 7. The conduct described in paragraph six constitutes separate and distinct violations of NASD Marketplace Rule 6130(d)(6).

- B. The firm also consents to the imposition, at a maximum, of the following sanctions:

A censure and a total fine of \$20,000 — \$12,500 for the affirmative determination violations and \$7,500 for the reporting violations.

The sanctions imposed herein shall be effective on a date set by the Association staff.

III.

OTHER MATTERS

- A. The firm understands that it may attach a Corrective Action Statement to this AWC, which is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD or its staff.
- B. The firm agrees to pay any monetary sanctions imposed on it upon notice that this AWC has been accepted and that such payments are due and payable, and has attached the Election of Payment form showing the method by which the firm proposes to pay any fine imposed.
- C. The firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

The firm certifies that it has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce the firm to submit it.

Mar. 29, 2006
Date

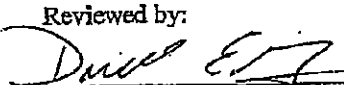
Respondent,
Goldman, Sachs & Co.

By: 

Name: Norman Feit

Title: Managing Director, legal

Reviewed by:


Counsel for Goldman, Sachs & Co.

Accepted by NASD:

Date

Cameron K. Funkhouser
Senior Vice President
Department of Market Regulation

Signed on behalf of the Director of ODA,
by delegated authority

Attachment: Standard Election of Payment Form

Attachment

ELECTION OF PAYMENT FORM

Goldman, Sachs & Co. intends to pay the fine proposed in Section II of the Letter of Acceptance, Waiver and Consent by the following method (check one):

- ☒ A personal/firm check or bank check for the full amount;
- ☐ Credit card authorization for the full amount;¹
- ☐ The installment payment plan (only if approved by NASD staff and the National Adjudicatory Council).²

Respectfully submitted,
Goldman, Sachs & Co.

Apr 29, 2006
Date

By: [Signature]

Name: Michael Felt

Title: Managing Director, Legal

¹ Only MasterCard and Visa are accepted for payment by credit card. If this option is chosen, the appropriate forms will be mailed to you, with an invoice, by the NASD's Finance Department. Do not include your credit card number on this form.

² The installment payment plan is only available for fines of \$5,000 or more. Certain interest payments, minimum initial and monthly payments, and other requirements apply. You must discuss these terms with the NASD staff prior to requesting this method of payment.